

VZCZCXRO9151
RR RUEHCN RUEHGH RUEHVC
DE RUEHIN #3439/01 2770827
ZNY CCCCC ZZH
R 040827Z OCT 06
FM AIT TAIPEI
TO RUEHC/SECSTATE WASHDC 2473
INFO RUEHOO/CHINA POSTS COLLECTIVE
RUEKJCS/SECDEF WASHINGTON DC
RHHMUNA/USPACOM HONOLULU HI
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHINGTON DC
RUCPDOG/DEPT OF COMMERCE WASHDC
RUEATRS/DEPT OF TREASURY WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 003439

SIPDIS

SIPDIS

STATE FOR EAP/TC
STATE PASS USTR
COMMERCE FOR 3132/USFCS/OIO/EAP/WZARIT
TREASURY FOR OASIA/LMOGHTADER
USTR FOR STRATFORD, ALTBACH

E.O. 12958: DECL: 10/04/2016

TAGS: [ECON](#) [PREL](#) [CH](#) [TW](#)

SUBJECT: CROSS-STRAIT TOURISM - BUS ACCIDENT COULD PUSH
DISCUSSIONS FORWARD

REF: A. TAIPEI 2991

[1](#)B. TAIPEI 3147

Classified By: AIT Acting Deputy Director Daniel K. Moore, Reason 1.4 d

Summary

[1](#)1. (C) Five PRC tourists died in a bus accident in Southern Taiwan on October 2, the first PRC tourists to be killed in Taiwan. The incident is unlikely to slow cross-strait discussions of further opening Taiwan to PRC tourists. To the contrary, by showing the need for more formal mechanisms for handling this kind of incident, it may actually accelerate the discussions. The accident also highlights the growing number of PRC tourists visiting Taiwan. In the first six months of 2006, PRC tourist arrivals were up 240 percent from the same period a year ago. End summary.

PRC Tourists Killed in Bus Accident

[1](#)2. (U) On October 2, a 39-member Mainland Chinese tour group visiting Taiwan after a trip to South Korea was involved in a bus accident in central Taiwan. The tour bus ran off the road and fell off a 6-foot deep embankment. Five PRC tourists were killed and fifteen were injured. The group's Taiwan tour guide was also killed. Taiwan media have reported that these were the first deaths of Mainland Chinese tourists in Taiwan. According to the Taiwan authorities, the tour bus was speeding on a road that is not open to large tour buses.

Taiwan Authorities Provide Support

[1](#)3. (C) According to a Mainland Affairs Council (MAC) Economics Department Senior Secretary, Lee Li-jane, the Straits Exchange Foundation (SEF) has coordinated with the PRC's Association for Relations Across the Taiwan Strait (ARATS) to arrange for Mainland Chinese relatives of the victims to travel to Taiwan. Taiwan's Central News Agency reported on October 3 that some of the injured tourists may use medical charter flights

permitted under June 2006 cross-Strait charter flight agreement to fly back to the PRC. This would be the first medical charter flight from Taiwan to China. (Note: There have already been two medical charter flights in the other direction, from the Mainland to Taiwan. End Note.)

Accident Could Accelerate Tourism Consultations

¶4. (C) Taipei Association of Travel Agents (TATA) Secretary General Hsueh Cheng-fa told AIT/T that the

SIPDIS

accident was not likely to delay cross-Strait negotiations on further opening Taiwan to PRC tourists. TATA has played a key role in informal cross-Strait discussions of tourism. MAC officials and industry contacts have indicated to us that they expect an agreement by the end of the year. Hsueh speculated that the incident could possibly accelerate the consultations by showing the need to formalize a system for dealing with this type of situation. Echoing his comments, MAC's Lee said that it was difficult to say what the effect of the accident would be on tourism discussions, but the incident could have been handled more efficiently with well-established channels of communications, showing a pressing need for more formal tourism consultations.

¶5. (C) Lee noted that although Taiwan permitted tourists such as those involved in the accident to travel to Taiwan via third territories, the PRC had not yet authorized this kind of travel. She said many PRC residents believe that tourism in Taiwan was authorized by the PRC with its April 2006 announcement of liberalization measures during KMT Honorary Chairman Lien

TAIPEI 00003439 002 OF 002

Chan's second visit to the Mainland. Lee pointed out that, after the announcement, the number of Mainland Chinese tourists traveling to Taiwan via third areas, usually Hong Kong, South Korea, the Philippines and Thailand, increased significantly. Hsueh speculated that even though the tourists would not be punished, the Mainland travel agents that had arranged their trip might be. The uncertain legal status of PRC tourists who travel to Taiwan also underscores the need to conclude cross-Strait discussions.

Tourism Surging Even Without Agreement

¶6. (U) The accident draws attention to the fact that the number of PRC tourists traveling to Taiwan is growing rapidly even without a formal agreement. In the first six months of 2006, more than 49,000 PRC tourists arrived in Taiwan, up 254 percent from the same period a year ago. However, some industry analysts speculate that PRC tourist arrivals will be down slightly for October, including the PRC National Day holiday period. They believe many tourists will want to wait for the conclusion of a formal agreement. In addition, travel through Thailand, one of the most frequently used routes, could be deterred by the recent coup there. Under the current liberalization plan approved by the Taiwan authorities, Taiwan plans to permit 1,000 mainland tourists per day once cross-Strait negotiations are concluded, capping PRC tourist arrivals at 365,000 per year.

WANG